

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Sprint Communications Company L.P. (U-5112-C) and T-Mobile USA, Inc., a Delaware Corporation, For Approval of Transfer of Control of Sprint Communications Company L.P. Pursuant to California Public Utilities Code Section 854(a).

Application 18-07-011

And Related Matter.

Application 18-07-012

ASSIGNED COMMISSIONER'S AMENDED SCOPING RULING

In my original scoping memorandum, I defined the scope of this proceeding as follows:

The fundamental issue presented by these applications is whether the proposed merger of two of the four largest national wireless service providers is in the public interest of the residents of California. The scope of this proceeding includes all issues that are relevant to evaluating the proposed merger's impacts on California consumers and determining whether any conditions should be placed upon the merged entity.

I expanded on this general scope by listing 15 issues that I directed the applicants to address. In the subsequent pleadings and the evidentiary hearings that followed, applicants and intervenors put into the record of this proceeding their responses to those issues.

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Thereafter, in the process of obtaining the approval of the United States Department of Justice (DOJ) and the Federal Communications Commission (FCC) for the proposed merger, Sprint, T-Mobile and a new party, Dish Network, entered into agreements and commitments that significantly altered the original proposed transaction. Sprint and T-Mobile agreed to provide to Dish Network spectrum, cell sites, and access to the new T-Mobile network for a period of seven years, so that over time Dish Network could become a fourth national facilities-based mobile service provider. Prior to making the commitments to the federal agencies, T-Mobile had entered into an extensive agreement with the California Emerging Technology Fund (CETF) which contains provisions that appear to be affected by the federal commitments.

These changes to the proposed transaction led the assigned Administrative Law Judge (ALJ) on August 27, 2019 to order joint applicants to file an amended application that reflected the changed conditions. Pursuant to his order, joint applicants filed an amended application on September 19, 2019. The amended application was jointly protested by the Commission's Public Advocates Office (Cal Advocates), The Utility Reform Network (TURN), Communications Workers of America District 9 (CWA) and The Greenlining Institute (Greenlining) on October 9, 2019. A second prehearing conference was held on October 10, 2019 at which the ALJ listed a series of material modifications in the proposed transaction that require further examination in this docket.

After reviewing the amended application, the protest, and the transcript of the second prehearing conference, I have determined that the scope of this proceeding shall include, in addition to the specific topics identified in my original scoping memo, the following questions:

- 1. What changes are required to previously submitted written or oral witness testimony resulting from Sprint, T-Mobile or Dish Network entering into the DOJ and FCC Commitments? The changes must be identified in new testimony from the same witness who submitted the original testimony.
- 2. What changes are required to the terms of the Memorandum of Understanding between T-Mobile and CETF resulting from Sprint, T-Mobile or Dish Network entering into the DOJ and FCC Commitments?
- 3. What are Dish Network's California service obligations?
- 4. How does the proposed transfer of spectrum to Dish Network impact the quality and extent of New T-Mobile's existing 4G network and its planned 6G network?
- 5. How does the divestiture of Sprint, Boost and Virgin pre-paid businesses impact California customers who are currently receiving services from one or another of these providers?
- 6. How does the requirement that New T-Mobile make its network available to Dish Network for up to seven years impact the quality and extent of New T-Mobile's existing 4G network and its planned 6G network?
- 7. In what other ways, if any, could the DOJ and FCC commitments change the benefits that applicants have claimed California customers will receive from the proposed transaction?
- 8. With reference to the Network and In-Home Commitments set forth for New T-Mobile's Nationwide 5G Network Deployment at pages 1-3 of Attachment 1,¹ provide all of the same information in the same format as contained in Sections I, II and III of Attachment 1, specifying the

¹ "Attachment 1" means Attachment 1 to the May 20, 2019 Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations; WT Docket No. 18-197 to Marlene H. Dortch, Secretary, Federal Communications Commission.

commitments for deployment in California rather than nationwide.

I am ordering Sprint, T-Mobile and (if applicable) Dish Network to respond to these questions by submitting written witness testimony addressing them. After the intervenors have had an opportunity to submit reply testimony and comment in written responses, I will determine whether additional evidentiary hearings are required.

All parties agree that prompt resolution of these questions is in the public interest. Accordingly, the following schedule is adopted for the balance of this proceeding:

November 7, 2019 Testimony from Sprint/T-Mobile/Dish

November 22, 2019 Reply testimony from intervenors and comments

identifying alleged material issues of disputed

fact, if any

December 5 and 6, 2019 Evidentiary hearings (if necessary)

December 20, 2019 Simultaneous briefs

IT IS RULED that:

- 1. The scope of this proceeding is as described above.
- 2. The schedule of this proceeding is as set forth above.
- 3. Sprint, T-Mobile and (if applicable) Dish Network shall respond to numbered question 1 through 8 by submitting written witness testimony.
 - 4. Evidentiary hearings may be needed.

Dated October 24, 2019, at San Francisco, California.

/s/ CLIFFORD RECHTSCHAFFEN
Clifford Rechtschaffen
Assigned Commissioner